

## OFFICE OF THE DIRECTOR

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December 21, 2005

Mark Tripp Russellville Medical Supply 2300 W. Main St. Russellville, AR 72801

Re: Advisory Opinion # 483-05-11

Dear Mr. Tripp:

This letter is in response to your request for an advisory opinion dated December 12, 2005, issued pursuant to ACA §19-11-715 (b). Your request for an advisory opinion is based on the following facts:

- 1) You have sold medical supplies to the Arkansas Tech University Rehab Science Department for the past seven years.
- 2) Your wife has worked at the Registrars office for the past year and a half.
- 3) You are requesting an advisory opinion so that the procurement personnel at ATU will know whether or not a conflict exists for continued sales by you.

The Ethics in Public Contracting Law (Act 483 of 1979) at ACA §§19-11-705 **Employee Conflict of Interest** prohibits "direct or indirect participation" of a state employee with a financial interest on any contract with the state. In this case that participation would have to be accomplished by your wife to create a conflict. She would have to be involved in the medical equipment procurement by the University "through decision, approval, disapproval, recommendation, preparation of any part of a procurement request, influencing the content of any specification or procurement standard, rendering of advice, investigation, auditing, or in any other advisory capacity."

Her position with the Registrar's Office <u>does not</u> place her in any of the aforementioned capacities and therefore a conflict <u>does not</u> exist for previous or continuing sales.

Although it has been determined that continuation of the contracting will not create a conflict of interest, the requirement for your wife to disclose any benefit from a state contract continues. The requirement is found at Ark. Code Ann. § 19-11-706.

This disclosure shall be made to the Director of Finance and Administration within 30 days after she has actual or constructive notice of a benefit received or to be received. Such disclosure shall be made in written report which sets forth:

- A. The name of the business involved;
- B. The name of the Governmental body with which the business has a contract;
- C. The dollar amount and nature of the contract; and
- D. The nature and extent of the benefit received or to be received.

Any employee or non-employee who shall knowingly violate any of these disclosure requirements shall be guilty of a felony and upon conviction shall be fined in any sum not to exceed ten thousand dollars (\$10,000) or shall be imprisoned not less than one (1) no more than five (5) years, or shall be punished by both.

This advisory opinion is issued in accordance with Arkansas Code Annotated §19-11-715 (b) and constitutes compliance with the ethical standards of the Act and Executive Order 98-04.

Sincerely,

Richard A. Weiss Director

Cc: Vickie Golden, ATU Joe Giddis Michael Lamoureux